

# ***NEWS RELEASE***

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***OFFICE OF THE UNITED STATES ATTORNEY  
SOUTHERN DISTRICT OF CALIFORNIA  
San Diego, California***

***United States Attorney  
Carol C. Lam***

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***For Immediate Release***

**NEWS RELEASE SUMMARY** - August 25, 2006

United States Attorney Carol C. Lam announced that Vladislav Zubkis, (also known as “Steven” Zubkis), pled guilty today in federal court in San Diego to conspiracy to commit mail fraud and money laundering. Zubkis entered his guilty plea before Magistrate Judge Cathy A. Bencivengo, subject to final acceptance of the plea by United States District Judge Larry A. Burns, at the time of sentencing.

As part of his guilty plea, Zubkis admitted that he defrauded investors of over \$1.8 million through misrepresentations and omissions relating to the construction of a storage facility and the renovation of a Las Vegas casino. Zubkis also admitted that he and his coconspirators deliberately misled investors about his business experience, his companies, the uses to which he put investors’ funds, and the status and prospects of the storage and casino projects. Zubkis further admitted that he laundered the funds he unlawfully took from investors.

United States Attorney Lam stated, “The investing public should apply a healthy dose of skepticism when assessing the claims of promoters like Mr. Zubkis.”

FBI Special Agent in Charge Daniel R. Dzwilewski commented, "This is yet another example of the cooperation between federal and local law enforcement agencies working together to protect the public from individuals who deceive and bilk investors of their money and other resources."

"It can be devastating when the financial well-being of an individual falls into the wrong hands through deceit and trickery. The rebuilding of one's financial future after such devastation may never be realized," said Kenneth Hines, Special Agent in Charge, IRS Criminal Investigation. "The days are numbered for those who peddle false hopes and dreams and prey on investors for their own personal financial benefit. IRS Special Agents will be persistent and aggressive in working financial and money laundering investigations where individuals use complex shell companies and offshore accounts to hide their ill-gotten gains, and bring these individuals to justice."

The United States Attorney praised the investigative work by the Federal Bureau of Investigation and the Internal Revenue Service in this case. She also expressed appreciation for the assistance received from the San Diego County Sheriff's Office and the San Diego Police Department.

Zubkis is scheduled to appear for final acceptance of the plea and sentencing before Judge Burns on November 20, 2006, at 9:30 a.m.

**DEFENDANT**

**Case Number: 05cr2202-LAB**

VLADISLAV ZUBKIS

a.k.a. VLADISLAW ZUBKIS, a.k.a. "STEVEN" ZUBKIS

**SUMMARY OF CHARGES**

One Count

Conspiracy to commit offenses against the United States, in violation of Title 18, United States Code, Section 371. Maximum penalty: 5 years' imprisonment, and a fine of up to \$250,000.

**AGENCIES**

Federal Bureau of Investigation  
Internal Revenue Service, Criminal Investigation